

## FINAL STATEMENT OF REASONS

- a) Specific Purpose of the Regulations and Factual Basis for Determination that Regulations Are Necessary

Section 42-717.1Specific Purpose:

This section is being amended to eliminate references to current California Work Opportunity and Responsibility to Kids (CalWORKs) recipients and reorganized for grammatical reasons. An explanation that job retention services are intended to assist former recipients to maintain or improve their employment has also been added.

Factual Basis:

This amendment is necessary to ensure that counties understand the distinction between mandatory supportive services for current CalWORKs recipients and optional job retention services for former CalWORKs recipients. Under the Greater Avenues for Independence (GAIN) program, which was the employment program for Aid to Families with Dependent Children recipients, individuals who were working in unsubsidized employment for 30 hours per week or more were exempt from GAIN. Once they became exempt, they were no longer eligible for supportive services. In order for them to continue to receive services from the county, the services had to be provided as transitional job retention services.

Under the current welfare program, CalWORKs recipients working in unsubsidized employment are not exempt from welfare-to-work requirements. They continue to receive needed supportive services so long as they remain CalWORKs welfare-to-work participants per Welfare and Institutions Code Sections 11322.6(a) and 11323.2(a). The reference in Welfare and Institutions Code Section 11500 to a “recipient of aid under this chapter not participating under Article 3.2 (commencing with Section 11320)”, upon which the existing language of Manual of Policies and Procedures (MPP) Section 42-717 was based, does not reflect this change in the program and conflicts with the current language of Welfare and Institutions Code Sections 11322.6(a) and 11323.2(a).

Therefore, for clarity in order to comply with Welfare and Institutions Code Sections 11322.6(a) and 11323.2(a), and to be consistent with MPP Sections 42-716 and 42-750, references to current CalWORKs recipients are being eliminated. This amendment will clarify that counties must provide needed supportive services to current CalWORKs recipients who are employed, and will thereby help to ensure that current recipients receive needed services under MPP Section 42-750. The optional job retention services described in MPP Section 42-717 are limited to former CalWORKs recipients.

Necessary grammatical and editorial changes without regulatory effect are being made as a result of the other amendments.

#### New Sections 42-717.11, .111, and .112

##### Specific Purpose:

These sections are being adopted to clarify that transitional services may be provided for a former recipient for a period of up to 12 months, that this period must begin as soon as the former recipient is both employed and off aid, and that this period must begin within a year of the time that the former recipient left aid.

##### Factual Basis:

Welfare and Institutions Code Sections 11323.2(b) and 11500 both authorize the county to provide job retention services for former recipients for a 12 month period. Section 11500 states that the 12 month period begins with the first day of employment and that job retention services may only be provided within the first year after leaving aid. Section 11323.2(b) does not currently include either of these requirements. Therefore, MPP Sections 42-717.11, .111, and .112 have been adopted to establish consistent timeframes within which counties may offer transitional services to former recipients, and to mesh the provisions in Section 11500 with the provisions in Sections 11322.6(a) and 11323.2(a) requiring that current CalWORKs recipients working in unsubsidized employment receive necessary supportive services (see Factual Basis for Section 42-717.1).

#### New Section 42-717.12

##### Specific Purpose:

This section is being adopted to more clearly specify the services counties may offer to employed former recipients.

##### Factual Basis:

This section is necessary to ensure that the counties are aware of the broad range of services that they may offer under Welfare and Institutions Code Sections 11323.2(b) and 11500.

#### New Section 42-717.13

##### Specific Purpose:

This section is being adopted to clarify that job retention services for former recipients under MPP Section 42-717 are only available to former recipients who are employed during the year after they leave aid.

Factual Basis:

Welfare and Institutions Code Section 11500 provides that job retention services may be provided for former recipients who are employed and who have received aid within the previous year. MPP Section 42-717.13 is necessary to clarify that, if a former recipient does not obtain employment within the first year after leaving aid, the former recipient is not eligible for job retention services.

Section 42-717.2

Specific Purpose:

This section is being amended to eliminate references to the length of time that the services may be provided and to the termination of aid due to employment or increased earnings. Minor editorial changes without regulatory effect are also being made.

Factual Basis:

These amendments are necessary to implement Welfare and Institutions Code Section 11323.2(b), which does not limit job retention services for former recipients whose aid was terminated due to employment, and because provisions regarding the time frame within which counties may provide job retention services have been moved to MPP Section 42-717.1. Minor editorial changes without regulatory effect are also being made.

New Section 42-717.3

Specific Purpose:

This section is being adopted to clarify that job retention services may be provided to employed former recipients even if the former recipients left aid because they exhausted their 60-month CalWORKs time limits.

Factual Basis:

This section is necessary to comply with Welfare and Institutions Code Section 11323.2(b), which does not prohibit job retention services to former recipients who have exhausted their 60-month CalWORKs time limits.

New Sections 42-717.4, .41 and .42

Specific Purpose:

These sections are being adopted to clarify that counties may establish additional eligibility criteria in designing their job retention services program and must decide which types of services will be offered, for how long, and at what rate former recipients

will be reimbursed. All of this information must be contained in written policies adopted by the county.

Factual Basis:

These new sections are necessary to remind counties that they have the flexibility to further define the categories of employed former recipients for whom they wish to provide job retention services. They must describe the services provided, the length of time the services will be provided, and at what rate. For consistency with MPP Section 11-501.3, counties are reminded that these policies must be adopted in writing.

New Handbook Section 42-717.5

Specific Purpose / Factual Basis:

This Handbook section is being adopted to remind counties that, in accordance with MPP Section 47-230.14, they are required to provide child care for former CalWORKs recipients for up to two years after leaving cash aid.

New Section 42-717.6

Specific Purpose:

This section is being adopted to clarify that participation in community service is not a prerequisite for receipt of job retention services under MPP Section 42-717, unless the county adopts such a requirement.

Factual Basis:

This section is necessary to avoid confusion with the requirement that former CalWORKs recipients participate in community service in order to receive transitional services pursuant to Welfare and Institutions Code Section 11320.15. Welfare and Institutions Code Sections 11323.2(b) and 11500, upon which MPP Section 42-717 is based, do not contain a community service requirement. If a county wishes to establish a community service requirement, however, it may do so, since providing services under MPP Section 42-717 is at county option.

b) Identification of Documents Upon Which Department Is Relying

None

c) Local Mandate Statement

These regulations do not impose a mandate on local agencies or school districts. There are no state-mandated costs in these regulations that require state reimbursement under Section 17500 et seq. of the Government Code.

d) Statement of Alternatives Considered

The Department must determine that no reasonable alternative considered or that has otherwise been identified and brought to the attention of the Department would be more effective in carrying out the purpose for which the regulations are proposed or would be as effective and less burdensome to affected private persons than the proposed action.

e) Statement of significant Adverse Economic Impact on Business

The Department has made an initial determination that the proposed action will not have a significant statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states.

f) Testimony and Response

These regulations were considered as Item #1 at the public hearing held April 21, 2004 in Sacramento, California. No oral testimony was received at the public hearing.

During the 45-day public comment period from March 5, 2004, to April 21, 2004, written comments were received from:

The Western Center on Law and Poverty (WCLP), and

Mike Campo, ERSII, Solano County Health & Social Services Career Success Program (MCSC)

The comments received and the Department's responses to these comments follow.

Section 42-717.6

1. Comment: (WCLP)

“Proposed section 42-717.6 states that ‘[t]here is no community service requirement for services provided under Section 42-717, unless the CWD adopts a policy requiring community service.’ Although Welfare and Institutions Code Section 11323.2(b) authorizes counties to provide job retention services to former CalWORKs recipients who become employed, it does not authorize the counties to impose a community service requirement. As written, this section exceeds the authority provided in Welfare and Institutions Code Section 11323.2(b).

In addition, a community service requirement is contrary to the purpose of providing job retention services, which is to assist former recipients to remain employed and to ease the transition from welfare to work. Since former recipients who are eligible for job retention services are already working, requiring them to perform community service in addition to their work will impose undue hardship on them.

We suggest that ‘unless the CWD adopts a policy requiring community service’ be deleted from section 42-717.6.”

#### Response

The Department thanks the Western Center on Law and Poverty for their comment. However the Department is not amending this section in response to the comment. Job retention services for assisting former CalWORKs recipients to maintain their employment are provided at the option of the county. Because of that fact, the county has the ability to determine the type and duration of, as well as the reimbursement rate for any job retention services that it provides. The county also can establish criteria that must be met in order to receive or continue receiving these services, such as participation in community service or full-time employment.

#### General

##### 2. Comment: (MCSC)

“Child Care payment assistance is needed by many parents who are transitioning off of Cal WORKS. According to our county's Child Care Coordinator, Child Care assistance for mental health activities of Post Aid Retention participants is not available. Please change this regulation, if true, as Post Aid Retention participants, needing mental health care, and child care so they can participate, have the most to lose if they are not successful resolving mental health issues. The dollars spent in support of families transitioning from public assistance is money well spent and arguably money saved.”

#### Response

The Department thanks Mr. Mike Campo for his comment. However the Department is not amending this section in response to the comment. We are not clear as to what the county is expressing as its concern, but we believe that the comment is outside of the scope of this regulation package. These regulations pertain to job retention services that are specifically targeted toward employed former recipients who need additional services to maintain their employment, but the comment does not mention any issue related to work. These regulations also do not affect child care services for former recipients who are receiving mental health services. Those former recipients are eligible to continue receiving child care under existing regulations.

##### g) 15-Day Renotice Statement

A 15-day renotice was not required because there were no changes made following the public hearing.